**27.2.2 Determination of LAP Prices**

**27.2.2.1 IFM LAP Prices**

The IFM LAP Price, except for IFM Price, for Settlement of Demand at any LAP for a given Trading Hour is the price as produced by the IFM optimization run based on the distribution of system Load at the constituent Pricing Nodes within the applicable LAP and is determined by the effectiveness of the Load within the LAP in relieving a Transmission Constraint within the effectiveness threshold as specified in Section 27.3.4.6.

**27.2.2.2 Real-Time Market LAP Prices**

The FMM and RTD LAP Price, except for the RTD and FMM LAP Price, for a fifteen-minute FMM interval and five minute Dispatch Interval is the price as produced by the FMM and RTD optimization runs, respectively, based on the distribution of system Load at the constituent Pricing Nodes within the applicable LAP and is determined by the effectiveness of the Load within the LAP in relieving a Transmission Constraint within the effectiveness threshold as specified in Section 27.3.4.6. The Hourly Real-Time LAP Price is then determined for Settlement purposes as further described in Section 11.5.2.2.

**\* \* \* \* \***

**- LAP Price**

The marginal price for a particular LAP, calculated pursuant to Section 27.2.2.